

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
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page 1628.)

SENATOR CUDABACK: Will recognize Senator Wehrbein to open.

SENATOR WEHRBEIN: Yes, thank you, Mr. President, members of the body. This starts on the budget discussion this afternoon and so we're technically...we are amending LB 880, the Governor's bill, as introduced by Speaker Kristensen, so we are talking about an amendment at this point to...a committee amendment to LB 880. I thought I'd start. I know you've had the book and you've probably studied it thoroughly. I thought I'd start, first of all, briefly on page 3, which shows us the current financial status, and I know you're familiar with the...I will go right to the bottom line...it's in a box down at the bottom on page 3, \$31,346,056 above the minimum reserve. Our required minimum reserve, for those of you that have forgotten perhaps, is 3 percent. If you look at the figure just above that \$31 million in the box, we are at 3.68 percent of...above the...which is above the 3.0 required of minimum reserve. So, in theory, I mean, frankly, the \$31 million is eligible to spend if you're so inclined. The annual spending growth for the two-year period, if you'll notice is, first of all, is 4.2 in this 1999-2000 proposal, and two...in the 2000-2001 it's 2.6, for the average two-year growth of 3.4 percent. That's the bottom line on page 3 and that's the...that's the indicated budget increase in the next biennium that we're talking about today, is 3.4 percent; 4.2 the first year; 2.6 the second year. I don't know how much time to go into all the other things. I think I'll wait and take questions, so I'm going to skip over to page 23 and 24, which will show, one in Table 12 and one in Table 13, Table 12 shows the significant General Fund increases or reductions by budget category. On the other side, Table 13 shows the significant General Fund increases or reductions in rank order. I think I will take the 24, page 24, Table 13, to show you where the significant increases are in the budget this year. First of all, in salaries, totaling \$60 million over the two years; Medicaid increases of \$40 million; public assistance increase of \$15 million; health insurance under state agencies and colleges and the University of Nebraska is \$14,910,000. There's a narrative in there that will show you that we had...state colleges had a 27 percent increase, state of Nebraska had a 37 percent increase; University of Nebraska had a